

# FTSE RAFI CANADA INDEX

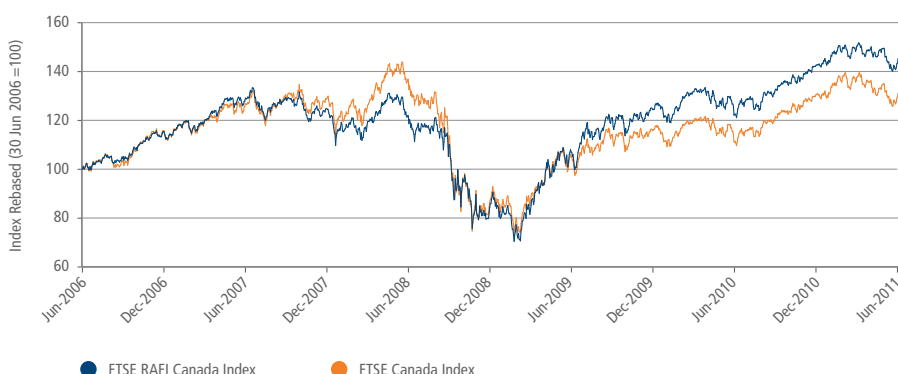
The FTSE RAFI Canada Index is part of the FTSE RAFI® Index Series, launched in association with Research Affiliates, LLC. As part of FTSE Group’s range of non-market cap weighted indices, the FTSE RAFI Index Series weights index constituents using four fundamental factors, rather than market capitalization. These factors include dividends, cash flow, sales and book value.

The FTSE RAFI Canada Index comprises the Canadian stocks represented amongst the constituents of the FTSE RAFI Global ex US 1000 Index, which in turn comprises the 1000 non US-listed companies with the largest fundamental value, selected from the constituents of the FTSE Developed ex US Index.

## FEATURES

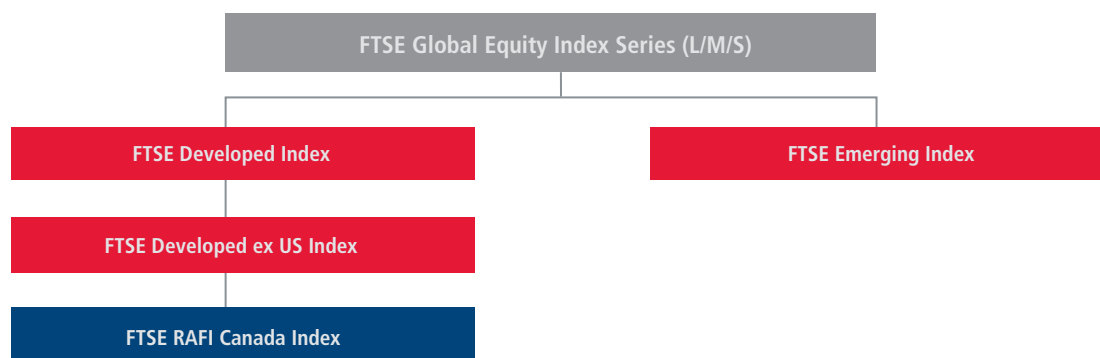
- FTSE RAFI Index-linked products can offer the advantages of an active management strategy with the highlights of passive investment: lower turnover costs and transparent rules-based selection, whilst retaining high investment capacity
- By using fundamental factors rather than prices to select and weight stocks, reviews of the FTSE RAFI Indices take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind
- Fundamentals Weighted® indices do not increase exposure to high P/E stocks during episodes of unsustainable P/E expansion. It therefore avoids over-exposure to the more overvalued stocks
- The indices have been designed to support index-linked funds, ETFs and over-the-counter (OTC) products
- FTSE RAFI Canada Index ETF is listed on the Toronto Stock Exchange

## FTSE RAFI CANADA INDEX 5-YEAR PERFORMANCE (CAD TOTAL RETURN)



SOURCE: FTSE Group, data as at 30 June 2011

## FAMILY TREE



## FTSE RAFI CANADA INDEX TOP 10 CONSTITUENTS

Rank	Constituent name	Supersector	FTSE RAFI Canada Index Weight (%)	FTSE Canada Index Weight (%)	Difference (%)
1	Royal Bank Of Canada	Banks	7.52	6.48	1.04
2	Toronto-Dominion Com	Banks	6.44	5.96	0.48
3	Bank of Nova Scotia	Banks	5.34	5.15	0.20
4	Manulife Financial	Insurance	4.50	2.50	2.00
5	Bank of Montreal	Banks	4.12	2.88	1.23
6	EnCana Corporation	Oil & Gas	3.98	1.82	2.16
7	Canadian Imperial Bank of Commerce	Banks	3.02	2.49	0.53
8	TransCanada	Oil & Gas	2.90	2.43	0.47
9	Suncor Energy	Oil & Gas	2.78	4.86	-2.09
10	Sun Life Financial	Insurance	2.45	1.38	1.07
		<b>Total</b>	<b>43.04</b>	<b>35.96</b>	

SOURCE: FTSE Group, data as at 30 June 2011

## FTSE RAFI CANADA INDEX ICB SUPERSECTOR BREAKDOWN

ICB Code	Supersector	FTSE RAFI Canada		FTSE Canada		Difference (%)
		Index Weight (%)	No. of Constituents	Index Weight (%)	No. of Constituents	
0500	Oil & Gas	20.81	13	24.12	14	-3.31
1300	Chemicals	2.09	3	4.98	2	-2.89
1700	Basic Resources	6.50	9	17.28	13	-10.78
2300	Construction & Materials	0.43	1	0.73	1	-0.30
2700	Industrial Goods & Services	6.37	8	5.02	5	1.35
3300	Automobiles & Parts	1.82	1	1.04	1	0.78
3500	Food & Beverage	0.92	2	0.59	1	0.34
3700	Personal & Household Goods	-	-	-	-	-
4500	Health Care	0.54	1	1.22	1	-0.69
5300	Retail	5.40	9	1.78	4	3.62
5500	Media	2.48	3	1.99	2	0.49
5700	Travel & Leisure	-	-	0.64	1	-0.64
6500	Telecommunications	3.52	4	2.64	4	0.88
7500	Utilities	2.84	6	1.25	3	1.59
8300	Banks	27.74	6	24.02	6	3.72
8500	Insurance	13.23	8	7.30	7	5.92
8600	Real Estate	3.09	4	2.79	3	0.30
8700	Financial Services	1.08	2	0.95	2	0.12
9500	Technology	1.15	2	1.66	2	-0.51
	<b>Total</b>	<b>100.00</b>	<b>82</b>	<b>100.00</b>	<b>72</b>	

SOURCE: FTSE Group, data as at 30 June 2011

## INFORMATION

### Index Universe

FTSE Developed ex US Index

### Index Launch

28 November 2005

### Base Date

30 September 2005

### Base Value

5000

### Investability Screens

Free float adjusted and liquidity screened

### Index Calculation

Real-time (every 15 seconds) and end-of-day

### End-of-Day Distribution

Index available at 23:30 GMT via FTP and email

### Currency

CAD, USD, Euro, Sterling, Yen and local

### Review Dates

Annually in March

### Index Rules

Available at [www.ftse.com/rafi](http://www.ftse.com/rafi)

### Vendor Codes

Available at [www.ftse.com/Indices](http://www.ftse.com/Indices)

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